

Project Title: Air Heater Element Replacement

WO # 03-96032-0

Date: 11/4/2003

Project Cost (\$)	\$4,252,123
Salvage Value of Old Equipment (\$)	\$0
Total Coal Savings (Ton/yr)	0
Total Fuel Oil Savings (Gal./yr)	0
Power Savings (MW/hr)	0
Other Savings (\$)	\$1,282,660
Annual Costs With the new Equipment (\$)	\$0
Future Salvage Value New Equipment(\$)	\$0
Project Life (Years)	20

Total cost of project including material and labor in current dollars

Salvage value of existing equipment that will be removed.

List the tons of coal that will be saved annually as a result of the project.

List the gallons of fuel oil that will be saved annually as a result of the project.

List the annual auxillary power savings that will result from the project.

List the annual savings that will result such as maintenance savings.

List the annual costs associated with the new equipment such as maintenance costs.

List the expected salvage value of the new equipment at the end of the project life.

Total Coal Cost (\$/Ton)	\$35.00
Total Fuel Oil Cost (\$/Gal)	\$0.74
Replacement Power Cost (\$/MW/hr)	\$25.00
Cost of Money (%)	6.04
O&M Escalation (%)	3

Present Value of Project	\$10,412,232
Benefit/Cost Ratio	3.45
Payback Period	3.3
Rate of Return	33%

Material Cost: \$2,663,000.00

Shipping Cost: \$336,000.00

Labor Cost: \$1,100,000.00

Taxes: \$153,122.50

Total Project Cost: \$4,252,122.50

Notes and
Assumptions:

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